



CUSTOMER SUCCESS STORY

Everything from a single source: Seven Senders helps X-Trade GmbH expand into seven markets at once

Easy scalability, a wide carrier network, and data transparency ensure greater flexibility in international e-commerce.

ZALANDO TAURO WWW.TAURO.DE

Typically, an e-commerce player looking to grow their business and attract international customers will start with internal discussions about the best target market or country for the planned expansion. If things go well, other markets follow one after another. **The Magdeburg-based online retail experts at X-Trade GmbH**, **however, chose a different path. It's partnership with Zalando, Germany's thirdlargest online marketplace, along with support from the delivery specialists at Seven Senders, allowed for simultaneous expansion into seven European markets.** Since the end of 2020, X-Trade has been shipping to France, Austria, the Netherlands, Belgium, Switzerland, Sweden, and Denmark.

X-Trade GmbH was founded in Magdeburg in 2006 and is now one of the leading online marketplace retailers for shoes and apparel in Germany. With many years of platform expertise and an infrastructure optimized for the marketplace economy, since 2019, X-Trade has helped brand-name manufacturers quickly and cost-effectively establish a presence on all relevant fashion marketplaces and use these platforms to acquire new customers groups. The product portfolio includes on-trend sneakers, clothing such as sweatshirts, T-shirts, and sportswear, as well as backpacks and other accessories. The focus is on shoes from a wide variety of brands. Millions of customers have already

ordered top fashion picks via tauro.de, X-Trade GmbH's own online store, or on their various partner marketplaces. In the past two years alone, the e-tailer's sales have increased by over 50%. Until just a few years ago, the most sales came from Amazon, eBay, and <u>tauro.de</u>. To bolster this success for the future and continue their growth trajectory, in 2020, the X-Trade project team decided to expand into international markets with Zalando. Today, the turnover is significantly higher from Zalando and other closed platforms that select their providers themselves.

Successful international expansion

According to bevh, the German e-commerce association, online marketplaces are enjoying increasing popularity. Sales from online marketplaces increased by a total of 20% to reach EUR 40.8 billion in 2020 and now account for 49% of total e-commerce sales. EHI Retail Institute and statistics portal Statista cite Amazon, Otto, Zalando, Mediamarkt, and Notebooksbilliger.de as the largest German players in this regard. That's why, in addition to its own online presence, X-Trade needs to rely on marketplace partners and seek opportunities to position itself more broadly. Daniel Fischer, who was responsible for the integration of Seven Senders at X-Trade, says: "When we decided to expand internationally, it quickly became clear that we would do so via Zalando, who recommended Seven Senders. Developments in recent months show that this was a good decision because, in sum, the foreign markets have already exceeded the German operations." Switzerland currently has the highest volume. "This is one of the most logistically challenging countries in Europe

for e-commerce companies to connect to – both in terms of tax issues and import/ export aspects. Working together with Seven Senders and MS Direct allows us to take on this challenge with ease – which is another reason why we decided on this cooperation," explains Fischer.

Overcoming obstacles together

However, not everything related to crossborder online trade ran smoothly from the start. Shipping to France, for example, was a challenge. "There was a problem with line hauls, tracking and visibility, and the delivery times and the times for returns were too long. We managed to overcome these difficulties in close cooperation with Seven Senders," says Fischer. The two partners devised a joint plan to streamline processes, track shipping times in greater detail and rationalize the warehouse management system to increase process excellence and improve shipping speeds to France and the speed of returns.

X-Trade in numbers

135 employees 2006 founded

18,000 sqm warehouse space 1 Mio parcels **2,000,000** customers

Less effort, lower costs

In France, X-Trade works with the carrier Colissimo via Seven Senders. In Austria, the shipping partner is Post AT. PostNL delivers the parcels in the Netherlands, Bpost in Belgium, PostNord in Denmark and Sweden, Swiss Post in Switzerland, and SDA in Italy.

This variety of carriers offers us an enormous advantage because we don't have to deal with every individual service provider in each country on our own. Seven Senders does this for us through its large carrier network in addition to the specifications from Zalando, says Fischer. 77

Beyond delivery expertise, Fischer says that pricing was a key factor in the decision to work with Seven Senders. The Berlin-based company also stood out from the competition by its ability to handle cross-docking. "The possibility of immediately working with MS Direct on returns processes in Switzerland appealed to us because it saves us a lot of effort. Not to mention the excellent project support during the smooth, fast onboarding – that worked very well."

Drawing on expert knowledge

Instead of working with many different partners and coordinating them all, X-Trade now has a central point of contact for international trade that consolidates all their shipping needs – Seven Senders. Zalando strongly recommends that its retailers partner with Seven Senders to grow their business internationally. "For companies looking to target and supply new customers, it is immensely important that they have a partner that knows their stuff," says sales expert Fischer.

The extended arm of logistics is something you have to choose with care. With Seven Senders, we get everything from a single source, not only the network but also the delivery platform and services like labeling and communications support. We don't have to build up this important expertise over many years and pay dearly for it; we can simply access Seven Senders' knowledge and resources. ??

Plans for the future include expansion into other markets.

X-TRADE



About X-Trade GmbH

X-Trade is a medium-sized independent company from Magdeburg, founded by Sascha Rosenau and René Buhe in 2006. The name says it all – trade is at the core of the company's business model.

With more than 130 employees, X-Trade is represented on over 15 marketplaces in more than 10 countries as well as on its own online store, tauro.de. X-Trade uses its own warehouse facilities spanning over 18,000 square meters to ensure quick, reliable delivery to its customers. The focus is always on the service level of the marketplaces and the CI specifications of its brands and partners.

Since its establishment, X-Trade has delivered name-brand shoes, sneakers, fashion apparel, and sporting goods to millions of customers. Further information: www.xtrade-gmbh.de.

About Seven Senders

Seven Senders is the leading delivery platform for parcel shipping. The company, founded in 2015 by Johannes Plehn and Thomas Hagemann, connects senders with its carrier network of more than 100 parcel delivery agents throughout Europe to offer excellent local shipping as a competitive advantage.

With additional shipping services such as a Claims Center & Insurance, Return Portal, and Labels, Seven Senders makes international shipping easy. Automated dispatch notifications and tracking and monitoring solutions ensure a transparent shipping process while monthly reports and analytics facilitate data-based performance optimizations. Shippers receive everything from a single source with the Seven Senders delivery platform, which greatly reduces complexity.

Take your international parcel shipping to a new level. Ask us about the best bundle solution for your cross-border shipping.

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